



State of California
Employment Training Panel

Training Proposal for:
Redwood Empire Electrical Training Trust
Agreement Type: \$75,000 or Less
Agreement Number: ET09-0300

Panel Meeting of: **October 17, 2008**

ETP Regional Office: **Sacramento**

Analyst: J. Daunt

CONTRACTOR:

- | | |
|-----------------------------|--|
| • Type of Industry: | Construction: |
| • Number to be Trained: | Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| • Turnover Rate: | 60 |
| • Repeat Contractor: | 20% |
| • Substantial Contribution: | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |

CONTRACT:

- | | | | | | | | | | |
|---|--|--|--|---|--|--|---|--|---------------------------------|
| • Training Project Profile: | SET/Retrainee | | | | | | | | |
| • Program Costs: | \$68,640 | | | | | | | | |
| • Multiple Employer Support: | \$4,740 | | | | | | | | |
| • Total ETP Funding Amount: | \$73,380 | | | | | | | | |
| • In Kind Contribution: | Inherent | | | | | | | | |
| • Average Cost per Trainee: | \$1,223 | | | | | | | | |
| • Post Retention Wage: | \$44.33 | | | | | | | | |
| • Health Benefits: | N/A | | | | | | | | |
| • Occupations to be Trained: | Journeyman Wiremen, Foreman Wiremen,
General Foreman Wiremen | | | | | | | | |
| • Training Menu: | <table border="0"><tbody><tr><td><input type="checkbox"/> Business skills</td><td><input type="checkbox"/> Literacy skills</td></tr><tr><td><input checked="" type="checkbox"/> Commercial skills</td><td><input type="checkbox"/> Management skills</td></tr><tr><td><input type="checkbox"/> Computer skills</td><td><input type="checkbox"/> Manufacturing skills</td></tr><tr><td><input type="checkbox"/> Cont. Improvement</td><td><input type="checkbox"/> Other:</td></tr></tbody></table> | <input type="checkbox"/> Business skills | <input type="checkbox"/> Literacy skills | <input checked="" type="checkbox"/> Commercial skills | <input type="checkbox"/> Management skills | <input type="checkbox"/> Computer skills | <input type="checkbox"/> Manufacturing skills | <input type="checkbox"/> Cont. Improvement | <input type="checkbox"/> Other: |
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| <input type="checkbox"/> Computer skills | <input type="checkbox"/> Manufacturing skills | | | | | | | | |
| <input type="checkbox"/> Cont. Improvement | <input type="checkbox"/> Other: | | | | | | | | |

- Advanced Technology: ☐ Yes ☒ No
- Range of Hours: 8 - 60 Weighted Average: 44
- Multiple Job Numbers: ☐ Yes ☒ No
- County(ies) Served: Sonoma, Mendocino, Marin, Lake, Del Norte, Humboldt
- Union Representation: ☒ Yes: IBEW Local 551
- Subcontractor: N/A
- Third Party Services: N/A

INTRODUCTION

Located in Santa Rosa, Redwood Empire Electrical Training Trust (Redwood Empire) operates a Joint Apprenticeship Training Committee (JATC) which has been providing journey-level and apprenticeship training in the electrical construction industry for over three decades. As a non-profit organization, Redwood Empire provides a certified, highly skilled workforce for the unionized electrical industry. Redwood Empire's training center contains several classrooms and computer labs for instruction in motor control, programmable logic control, welding, fire alarms, tool use, conduit bending, and other related skills.

A majority of Redwood Empire's training focuses on apprentice-level electricians, thereby directing all of its current resources to apprenticeship training resulting in unmet needs for training among journey-level electricians.

Rapid changes in the electrical industry are driven by technical and technological innovations, regulatory changes, and new construction techniques. Significant changes in the National Electric Code (NEC) take place every three years. The NEC is a standard that is used by local and regional inspection agencies to insure that electrical installations provide practical safeguards from hazards that may arise from the use of electricity.

Redwood Empire representatives state it is critical journey-level electrical workers have a thorough understanding of the newest NEC requirements to remain employed in the industry. Consequently, if journey-level electricians lack industry knowledge and/or are using outdated skills, employers (electrical contractors in the construction industry) will be unable to fill job openings with qualified workers and will be unable to bid on electrical jobs. Journey-level electricians who graduated ten to twenty years ago have not had the opportunity to receive training to enable them to keep pace with the rapidly developing and changing technology involved in electrical construction.

To address the needs of the industry and the electricians, Redwood Empire is proposing a multiple-employer contract (MEC) to train 60 Journeyman Wiremen, Foreman Wiremen, and General Foreman Wiremen in a Commercial Skills curriculum spanning a variety of electronics-related occupational skills that will fulfill updated NEC requirements for journey-level electricians.

Training is focused on and restricted to small businesses in the electrical construction field. All trainees to be enrolled in this project will be frontline workers.

Locations

The Contactor has two locations; training will take place at both. The Contractor will conduct a portion of the training via teleconference involving both sites. For all teleconference training, as well as regular class/lab training, the total trainer-to-trainee ratio shall not exceed 1:20 at both sites combined.

Employer Demand

Training provided by Redwood Empire is customized according to employers' needs. This is ensured by the JATC, which is composed of an equal number of union and employer members who are responsible for developing and administering training to employees and union members. Monthly JATC meetings serve as a forum for feedback and input from both employers and workers.

Special Employment Training

Redwood Empire is eligible for SET funding under Title 22, California Code of Regulations, Section 4409(a) to train frontline workers that will earn at least the statewide average of \$23.36 per hour.

RECOMMENDATION

For the reasons set forth above, staff recommends approval of this proposal.

PRIOR PROJECTS:

This will be the Contractor's fifth ETP Agreement and fourth within the past five years. Under Redwood Empire's previous Agreements, no single participating employer received combined earnings of \$250,000 or more, nor did the Contractor; thus, ETP substantial contribution requirements are not expected to be implemented. The following are completed project statistics for ETP Agreements with Redwood Empire within the last five years:

Agreement Number	Location (City)	Term	Contract Amount	Amount Earned	<i>Planned In-kind Contribution</i>	<i>Reported In-kind Contribution</i>
ET02-0280	Santa Rosa	04/08/2002 – 04/07/2004	\$36,729	\$21,571	\$964	\$11,000
*ET04-0549	Santa Rosa	12/31/2003 – 12/30/2005	\$87,450	\$39,644	\$47,250	\$20,000
**ET06-0244	Santa Rosa	02/07/2006 – 02/06/2008	\$69,500	\$0	\$34,750	\$0

* ET04-0549 had a 44% performance. The Redwood Empire JATC states that during this contract it held a number of training classes that were under the 42 hours that the contract required. According to Redwood Empire representatives, it was determined that many electricians were not able to attend the ten-week classes. Thereafter, according to the representatives, the Contractor introduced classes lasting only four to six weeks, with significantly better attendance.

** The Contractor states that the decline in the construction industry negatively impacted the previous ETP Agreement. In addition, NEC requirements in the past have been renewed periodically, generally every three years, although this varies. The Contractor reports that electricians in 2006 and 2007 were not faced with an imminent deadline from NEC for new or updated requirements. Thus, trainees generally did not feel compelled to attend training classes on a regular basis. As a result, the Contractor terminated the Agreement. For the current proposal, however, the deadline for an update of NEC-required electrical skills is imminent and trainees are thus expected to attend, in order to remain employed. In addition, the current application will utilize ETP's variable reimbursement training format, which, with a required minimum of only eight hours of training for each trainee to earn reimbursement, will significantly increase Redwood Empire's likelihood of achieving success.

Exhibit B: Menu Curriculum**Class/Lab Hours**

8 – 60

Trainees may receive any of the following:

Commercial Skills

Technical Math
Applied Codeology
Transformers and Motors
A/C and D/C Theory
Blueprint Reading
Photovoltaic Systems
Special Systems: Radiology, Imaging, Isolated Circuitry
Conduit Bending and Fabrication
Protective/Precautionary: Electronic Systems Requirements
Power Quality
Thermal Imaging
Fire Alarms and Related Electronic Systems
Programmable Logic Controllers
Instrumentation
Security, Access Control, Surveillance

Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: Redwood Empire Electrical Training Trust

CCG No.: ET09-0300

Reference No: 09-0071

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PRINT OR TYPE

Company: Calvert Electric

Address: 1820 Empire Industrial Court #B

City, State, Zip: Santa Rosa, California 95403

Contact Person / Title: Paul Calvert (Owner)

Telephone No.: (707) 571-1277

Collective Bargaining Agreement(s): IBEW Local 551, IBEW Local 6, IBEW Local 180

Estimated #of employees to be retrained under this Agreement: 5

Total # of full-time company employees worldwide: 16

Total # of full-time company employees in California: 16

Company: Joe Lunardi Electric

Address: P. O. Box 120

City, State, Zip: Sebastopol, California 95473

Contact Person / Title: Jolene Corcoran (President)

Telephone No.: (707) 545-4755

Collective Bargaining Agreement(s): IBEW Local 551 & IBEW Local 180

Estimated # of employees to be retrained under this Agreement: 33

Total # of full-time company employees worldwide: 105

Total # of full-time company employees in California: 105

Company: Kneaper Electric

Address: 2901 Hubbard lane

City, State, Zip: Eureka, California 95501

Contact Person / Title: Duke Kneaper (Owner)

Telephone No.: (707) 445-5465

Collective Bargaining Agreement(s): IBEW Local 551 & IBEW Local 340

Estimated #of employees to be retrained under this Agreement: 5

Total # of full-time company employees worldwide: 44

Total # of full-time company employees in California: 44

Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: Redwood Empire Electrical Training Trust

CCG No.: ET09-0300

Reference No: 09-0071

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PRINT OR TYPE

Company: Mike Brown Electric

Address: 561 Mercantile Drive #A

City, State, Zip: Cotati, California 94931-3040

Contact Person / **Title:** Jim Brown (Owner)

Telephone No.: (707) 792-8100

Collective Bargaining Agreement(s): IBEW Local 551, IBEW Local 180, IBEW Local 6, IBEW Local 302,

Estimated # of employees to be retrained under this Agreement: 36

Total # of full-time company employees worldwide: 285

Total # of full-time company employees in California: 245

Company: Morton Smith Electric

Address: 955 Piner Place

City, State, Zip: Santa Rosa, California 95405

Contact Person / **Title:** Bob Smith (Owner)

Telephone No.: (707) 542-2112

Collective Bargaining Agreement(s): IBEW Local 551, IBEW Local 6, IBEW Local 180, IBEW Local 302

Estimated # of employees to be retrained under this Agreement: 5

Total # of full-time company employees worldwide: 40

Total # of full-time company employees in California: 40

Company: Northern Electric

Address: 3190 Regional Parkway

City, State, Zip: Santa Rosa, California 95403

Contact Person / **Title:** Jim Chiappari (Owner)

Telephone No.: (707) 571-2265

Collective Bargaining Agreement(s): IBEW Local 551 & IBEW Local 6

Estimated #of employees to be retrained under this Agreement: 22

Total # of full-time company employees worldwide: 80

Total # of full-time company employees in California: 80

Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: Redwood Empire Electrical Training Trust

CCG No.: ET09-0300

Reference No: 09-0071

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PRINT OR TYPE

Company: O'Rourke Electric, Inc.

Address: 3347 Industrial Drive #4

City, State, Zip: Santa Rosa, California 95403-2025

Contact Person / Title: Dan O'Rourke (Owner)

Telephone No.: (707) 528-8539

Collective Bargaining Agreement(s): IBEW Local 551

Estimated # of employees to be retrained under this Agreement: 10

Total # of full-time company employees worldwide: 45

Total # of full-time company employees in California: 45

Company: R. McClure Electric

Address: 706 Portal Street

City, State, Zip: Cotati, California 94931

Contact Person / Title: Ed Gugel (Owner)

Telephone No.: (707) 792-2101

Collective Bargaining Agreement(s): IBEW Local 551, IBEW Local 6, IBEW Local 180, IBEW Local 302

Estimated # of employees to be retrained under this Agreement: 32

Total # of full-time company employees worldwide: 115

Total # of full-time company employees in California: 115

Company: W. Bradley Electric

Address: 90 Hill Road

City, State, Zip: Novato, California 94947

Contact Person / Title: Dan Hickey (Project Manager)

Telephone No.: (415) 898-1400

Collective Bargaining Agreement(s): IBEW Local 551, IBEW Local 6, IBEW Local 180, IBEW Local 302, IBEW Local 332, IBEW Local 595

Estimated # of employees to be retrained under this Agreement: 25

Total # of full-time company employees worldwide: 225

Total # of full-time company employees in California: 225